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Trading Account of M/s _____

For the year Ended _____ Cr.

Particulars	Amount	Particulars	Amount
To Opening Stock	xxxx	By Sales xxxx	
To Purchases xxxxx		Less Sales Returns xx	xxxxx
Less Purchase Returns xxx	xxxx	By Sale of Scrap (if any)	xxxx
To Wages	xxxx	By closing Stock	
To Freight	xxx		
To Dock dues	xxx		
To clearing charges	xxx		
To Customs & import duties	xxxx		
To Octroi	xxx		
To Toll tax	xxx		
To Entrance Fees	xxx		
To Coolie	xx		
To Cartage	xxx		
To Carriage inwards	xxx		
To Factory Rent	xxx		
To Factory Insurance	xxx		
To Coal, Gas, water, Steam etc	xxxxx		
To Fuel	xxxx		
To power	xxxx		
To Rectification Works	xxx		
To Other Factory Expenses	xxxx		
To Manufacturing Expenses	xxxx		
To production Expenses	xxxx		
To Heating & Lighting	xxxx		
To Gross profit c/d	xxxx		
	xxxx		xxxxx

Note :- Items Number 4 to 13 above on debit Side are collectively known as "Direct Expenses".

Trading Account for Mr. ----- for the year as on ----- Cr.

Dr

particulars	Amount	particulars	Amount
To opening Stock	20,000	By Sales 1,60,000	
To purchases 80,000		Less Returns 3000	157000
Less Returns 2000	78000	By closing Stock	30,000
To Carriage inwards	3000		
To Freight, duty & clearing charges	5000		
To Gross profit c/d	82,000		
	1,87,000		1,87,000

4/E-41 Trading Account of Mr. -----
Dr for the Year Ended as on ----- Cr

particulars	Amount	particulars	Amount
To opening Stock	47000	By Sales 1,28,000	
To purchases 50,000		Less Returns 1000	1,27000
Less Returns 1100	48900	By closing Stock	50,000
To Duty & clearing charges	3500		
To Gross profit c/d	77600		
	1,77,000		1,77,000

5/E-42 Trading Account of Mr Sawaroop Kishan
Dr for the Year Ended on 31-3-2006 Cr

particulars	Amount	particulars	Amount
To opening Stock	45000	By Sales	4,20,750
To purchases	2,25,000	By closing Stock	35,000
To ~~Carriage~~ Wages	20,000		
To Carriage Inwards	2,500		
To Factory Rent	9,500		
To Coal & Gas	1000		
To Gross profit c/d	1,69750		
	4,55,750		455750

6/E-43 Trading Account of Mr Ranga Rao
For the Year Ended 31-3-2006

Particulars	Amount	Particulars	Amount
To opening Stock	21,725	By Sales 1,26,117	
To purchases 83,290		Less Returns 7,422	118695
Less Returns 3,172	80,118	By Closing Stock	16,580
To Wages	9915		
To Factory, Fuel & power	542		
To Lighting	392		
To Manufacturing Expenses	1490		
To Carriage Inwards	897		
To Gross profit c/d	18,746		
	1,35,275		1,35,275

7/E-44 Trading Account of Mr -----
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	15,040	By Sales 1,21,850	
To purchases	85,522	Less Returns 285	121565
To Carriage Inwards	1,291	By closing Stock	15,500
To Trade Expenses	312		
To Gross profit c/d	35,897		
	137065		137065

7/E-45 Trading Account of Mr ---
For the Year Ended 30-6-2006

Particulars	Amount	Particulars	Amount
To opening Stock	18,600	By Sales	1,20,000
To purchases	80,000	By closing Stock	12,000
To Wages	11,000		
To Coal & Coke	2000		
To Lighting Expenses	1,800		
To Gross profit c/d	18,600		
	1,32,000		1,32,000

VE-46 Trading Account of Mr. ___

Dr. For the Year Ended on 31-3-2006 Cr.

Particulars	Amount	Particulars	Amount
To opening Stock	60,000	By Sales 3,54,000	3,54,000
To Purchases 1,20,000		2000	3,52,000
less Return 1500	118500	By closing Stock	70,000
To Wages	20,000		
To Carriage Inwards	1500		
To Gross profit c/d	2,22000		
	429000		429000

Profit & Loss Account Of Mr. - - - - - -
For the Year Ended - - - -

Cr.

Particulars	Amount	Particulars	Amount
To Salaries	xxxx	By Gross profit b/d	xxxx
To Office Expenses	xxxx	By discount Received	xxx
To Administrative Expenses	xxx	By Commission Received	xxx
To Establishment Expense	xx	By Bad debts Recovered	xxx
To Management Expenses	xxx	By Insurance Claim Received	xxx
To Sundry Expenses	xxx	By Apprentice premium	xxx
To Trade Expenses	xxx	By Interest Received	xxx
To General Expenses	xxx	By Interest of Investments	xxx
To Miscellaneous Expenses	xxxx	By Interest on Bank Deposits	xxx
To petty Expenses	xxxx	By provision for discount on creditors (Given in Adjustment)	xxx
To Printing & Stationery	xxxx	By Reserve for Bad & doubtful debts (Given in Trial Balance)	xxx
To postage & Telegrams	xxx	By profit on Sale of Assets	xxx
To Repairs & Maintenance	xxx	By Sale of old News paper	xxx
To Audit Fees	xxx	By Sale of Empties	xxx
To legal charges	xxx	By Sundry Incomes	xxx
To Office Rent	xxxx	By Miscellaneous Incomes	xxx
To Insurance	xxx	By Rent Received	xxx
To Rent, Rate & Taxes	xxx	By Interest on drawings	
To Medical Expenses	xxx	By Net loss Transferred To Capital Account (If Any)	
To Staff Welfare Expenses	xxx		
To Conveys ~~xxx~~	xxx		
To Travelling Expenses	xxx		
To Depreciation on assets	xxxx		
To Electricity Charges	xxx		
To Telephone Expenses	xxx		
To Gowdown Rent	xxx		
To Gowdown Insurance	xxx		
To Showroom Rent	xxx		
To Showroom Insurance	xxx		
To Advertisement	xxx		

To Free distribution of Samples	xxx		
To Sales Men's commission	xxx		
To Sales Men's Salaries	xxx		
To Travellers commission	xxx		
To Travellers Salaries	xxx		
To Bad debts	xxx		
To Reserve for Bad & Doubtful debts (Given only)	xxx		
To Reserve for Discount on Debtors	xxx		
To Commission	xxx		
To Agents Commission	xxx		
To Goods destroyed By Fire	xxx		
To Interest paid on Loan	xxx		
To Interest on Bank over draft	xxx		
To unproductive wages	xxx		
To Bank charges	xxx		
To Donations & Charity	xxx		
To Loss on Sale of Assets	xxx		
To Carriage outwards	xxx		
To Freight outwards	xxx		
To Discount Allowed	xxx		
To Interest on Capital	xxx		
To Net profit Transfered To Capital A/c	xxx		
To Indirect wages	xxx		xxx

Note :- If Trade Expenses & General Expenses Both are Given in Trial Balance Then only Trade Expenses will be Taken in Trading Account & General Expenses is taken in profit & Loss Account.

8/E-37 P&L Account of MR for the year Ended - - -

Dr Cr

particulars	Amount	particulars	Amount
To Salaries	18000	By Gross profit b/d	82,000
To Rent, Rates & Taxes	5000	By Commission received	1500
To Depreciation on Machinery	8000		
To printing & Stationery	2000		
To Net profit Transferred To Capital Account	50500		
	83500		83500

9/E-41 Bs. Profit & loss Account of MR - - -
for the Year Ended 31-12-2006

Dr Cr

particulars	Amount	particulars	Amount
To Salaries	9,500	By Gross profit b/d	77,600
To Commission on Travelling Expenses	4700	By Commission Received	4000
To General Expenses	2500		
To Rent paid	2000		
To Net profit Transfer To Capital A/c	62900		
	81600		81600

5/E-42 Trading Account of MR Sanroop Kishan
for the Year Ended 31-3-2006

Dr Cr

particulars	Amount	particulars	Amount
To Salaries	5000	By Gross profit b/d	1,60,750
To Carriage outwards	1,500	By Bad debt provision	200
To Discount	350		
To Insurance	700		
To Office Rent	3000		
To printing & Stationery	600		
To Travellers Salaries	2800		
To Advertising	15,000		
To Trade charges	10,000		
To Net profit Transfer To Capital A/c	1,12,000		
	160950		160,950

6/E-43 P&L Account of Mr. Ranga Rao
for the year Ended on 31-3-2006

Dr | Cr

particulars	Amount	particulars	Amount
To Salaries	3,745	By Gross profit b/d	18,746
To Travelling Expenses	925		
To Carriage outwards	380		
To Discount	422		
To Insurance	470		
To Rent & Taxes	1,705		
To Office Expenses	2,778		
To commission	260		
To Net profit Transfered to capital A/c	8061		
	18,746		18,746

7,9,10
7/E-44 Trading profit & Loss A/c of Mr. ——
for the Year Ended 31-12-2006

Dr | Cr

particulars	Amount	particulars	Amount
To ~~Motor Travels~~	~~12,000~~	By Gross profit b/d	34,887
To Establishment	2,135	By Reserve for Bad debts	1,320
To Carriage outwards	800	By Interest	340
To Insurance	783		
To Bad debts	613		
To Audit fees	400		
To General Expenses	3950		
To Discount	620		
To Net profit Transfered to Capital A/c	27,246		
	~~15,246~~		
	36547		36547

8/E-45 profit & Loss A/c of Mr. ~~Sri Subbaiah~~ ——
for the Year Ended ~~31-12-2006~~ 30-6-2006

Dr | Cr

particulars	Amount	particulars	Amount
To Salaries	2,600	By Gross profit b/d	18600
To Repairs (to coal & coke)	1000 (2000)	By profit & loss A/c	(4000)
To Carriage outwards	1500	By Discount Received	600
To Lighting Expenses	1,800		
To Discount Allowed	1500		
To Net profit Transfered to capital A/c	12,800		
	23,200		23,200

Note-46 Profit & Loss Account of M/s A
For the Year Ended on 31-3-2006

Particulars	Amount	Particulars	Amount
To Salaries	13,600	By Gross profit b/d	2,22,000
To Discount	700	By Discount	1,600
To Bank charges	150	By Bad debts provision	1,050
To Carriage outwards	2,400		
To Rent, Rates & Taxes	20,000		
To Advertisement	4000		
To Net profit Transfered To Capital A/c	18,3,800		
	2,24,650		2,24,650

Balance Sheet of Mr ------

as on ------

LIABILITIES	Amount	ASSETS	Amount
Capital xxxxx		Good will (Intangible assets)	xxx
Add:- Net profit xx		~~Inventories~~ ~~pay~~ paitents	xxx
Add:- Interest on Capital xxxx		~~Ba patterns~~ patterns	xxx
Add:- Further Capital introduced xxxx		Trade Marks	xx
xxxxx		copy Rights	xxx
less:- Drawings xxx		Technical know how	xxx
xxxx		Tenancy Rights	xxx
less:- Interest on Drawings xxx		Franchises	xxx
xxxx		premises	xxx
less:- Capital withdrawn during the year xxx		Lease hold property	xxx
xxxx		Free hold properly	xxx
less Net loss (If any) xxxx		Land & Buildings	xxx
xxxx		plant & Machinery	xxx
less Income Tax xxx		Office Equipment	xxx
	xxxxx	Furniture, Fixtures & Fittings	xxx
Bank Overdraft	xxx	Motor Vehicles	xxx
Sundry creditors	xxx	Investments	xxx
Bills payable	xxx	Loan Advanced	xxx
General Reserve	xxx	Books & Library	xxx
Reserve Fund	xxx	Arms & Cards	xxx
Mod Gage Loan	xxx	Sundry debtors	xxx
Bank Loan	xxx	Bills receivable	xxx
other loans Taken	xxx	Out standing Incomes (Individually)	xx
Out standing Expenses (Individually)	xxx	prepaid Expenses (Individually)	xx
prepaid Incomes (Individually)	xxx	Loose Tools	xxx
		closing Stock	xxx
		Cash at Bank	xxx
		Cash in Hand	xxx
	xxx		xxx

Balance Sheet of Mr. - - - -
as on - - - -

Liabilities	Amount	Assets	Amount
Capital	5,00,000	Good will	100000
Creditors	1,00,000	Motor Van	50,000
Loan	300000	Debtor	2,00,000
		Machinery	5,00,000
		closing stock	50,000
	9,00,000		9,00,000

4/E-41 Balance Sheet of Mr - - - - -
as on 31-12-2006

Liabilities		Amount	Assets	Amount
Capital	30,000		Sundry debtors	51000
Add Net profit	62,900		Bills receivable	5000
	92,900		Loan adv to Deepak & Co	12,000
Less Drawings	6,000		Fixtures & Fittings	8,500
	86,900	86900	Closing Stock	50,000
Sundry Creditors		43,000	Cash at Bank	12,500
Bills payable		4000	Cash in Hand	900
Overdraft		6000		
		1,39,900		1,39,900

5/E-42 Balance Sheet of Mr Swaroop Kishan
as on 31-3-2006

Liabilities		Amount	Assets	Amount
Capital	75,000		Plant & Machinery	75,000
Add Net profit	1,12,000		Sundry Debtors	60,000
	1,87,000		Bills Receivable	6000
Less Drawings	6000	1,81,000	Furniture	7500
Sundry creditors		15,000	closing Stock	35,000
Bills payable		2,000	Cash at Bank	12,500
			Cash in Hand	2000
		1,98,000		1,98,000

6/E-43 Balance Sheet of Mr. Rama Rao as on 31-3-2006

Liabilities		Amount	Assets	Amount
Capital	93,230		Plant	55,000
Add Net profit	8061		Fixtures	1,720
	1,01,291		Sundry Debtors	48,000
less Drawings	6,820	9,44,91	~~Bills payable~~	~~6,412~~
Sundry Creditors		22,880	Insurance prepaid	100
Bills payable		6,412	Closing Stock	16,580
			Cash at Bank	2,245
			Cash In Hand	118
		1,23,763		1,23,763

7,9,10

7/E-44 Balance Sheet of Mr. ---- as on 31-12-2006

Liabilities		Amount	Assets	Amount
Capital	92000		Buildings	70,000
Add Net profit	27246		Motor Trucks	12,000
		1,19,246	Furniture	1,640
Creditors		18,852	Debtors	15,600
Bills payable		6,930	Bills Receivable	5,844
			Investments	8,922
			closing Stock	15,500
			Cash at Bank	14,534
			Cash in Hand	988
		1,45,028		1,45,028

9/E-45 Balance Sheet of Mr. Govind Rao as on 30-6-2006

Liabilities		Amount	Assets	Amount
Capital	40,000		Good will	15,000
Add Net profit	12,800	52,800	Loose Tools	1,300
Creditors		4000	Office Furnitures	500
Loan Taken		5000	Debtors	16,000
			Lease Hold property	6,500
			Machinery	8,000
			Patents	1000
			Cash in Hand	200
			Cash at Bank	5,100
			Closing Stock	12,000
		61,800		

10/E-46 Balance Sheet of M/s A as on 31-3-2006

Liabilities		Amount	Assets	Amount
Capital	1,00,000			
	1,83,800	2,83,800	Plant & Machinery	1,60,000
Sundry creditors		50,000	Sundry debtors	90,000
			Closing Stock	70,000
			Cash at Bank	12,000
			Cash in Hand	1,800
		3,33,800		3,33,800
				2,63,800

11/6-47

Trading and P&L A/c of Mr Mohan for the Year Ended 31-12-2006

particulars	Amount	particulars	Amount
To opening Stock	2,920	By Sales 23,812	
To purchases 20,724		less Returns 420	
less Returns 983	20,742	By closing Stock	23,392
To Gross profit c/d	3230		3,400
	26,792		26,792
To Sundry Expenses	880	By Gross profit b/d	3730
To Rent	240	By Apprentice premium	240
To Rates & Taxes	400	By provision for doubtful debts	210
To Bad debts	344	By Discount	120
To Net profit Transferred To Capital A/c	2436		
	4300		4300

Balance Sheet Of Mr Mohan
as on 31-12-2006

Liabilities		Amount	Assets	Amount
Capital	8,500		Machinery	1,900
Add Net profit	2436		Debtors	6,400
	10,936		Bills Receivable	480
Less Drawings	1,420	9516	Closing Stock	3400
Bank over draft		2400	Cash at office	96
Creditors		2000		
Bills payable		360		12,276
		12276		

ADJUSTMENTS

Every item of Trial Balance is a Recorded item. When Trial Balance is already prepared from the recorded items. However some transactions are left without recording them which belong to this year. Therefore they must be adjusted in the record. Such unrecorded transactions as they belong to this year must appear in this years record. Thats why we call them Adjustment. Every Adjustment must appear twice where ever it is shown.

Explanation:-

Out Standing Expenses:- Out Standing Expenses means Expenses of this year incurred But Not yet paid. When such adjustments appears, Add this Amount to Relevent Expenditure for the first time and then it appears as a liabilite for the Second time. The following journal Entry is passed to record this Adjustments

Ex:- Rent Not yet paid Rs 2,000

Rent A/c	Dr	2000/-	
To Out Standing Rent A/c			2000/-

Ex:- Expenses paid in Advance or prepaid Expences:- When such an item appears in Adjustments, the prepaid Amount shall be reducted from concerned Expenditure for the first time. For the second time this Amount is shown as an Asset. The following Adjustment Entry is passed as follows.

Ex:- Insurance prepaid Rs 500

prepaid Insurance A/c ...	Dr	500	
To Insurance A/c.			500

Out Standing Incomes :- Incomes Earned but Not yet received because this income is Earned during current year, Therefore though not received it is this years Income Must be taken as Income in profit & loss A/c. If Such adjustment appear it Must be Shown in two places. For the first time this item is to be added To the concerned item in P&L A/c For the Second time The Same figure of the adjustment Must appear as an Asset in the Name "Out Standing Income".

The following Adjustment Entry is passed in this correction.

Ex :- Commission Rs 1000 is receivable.

Out Standing commission A/c ---- Dr 1,000
To commission A/c 1000

Prepaid Incomes :- Incomes received in Advance The Service is not done this year But compensation for Futher Service it received this year. This is not this years Income. Therefore When Such Adjustment Appears The Prepaid Income Amount for the first time Must be deducted from the concerned item in P&L A/c and for the Second time the same Amount Must appear as a Liability.

The following Adjustment Entry is required to be passed in the record.

Ex :- Apprentice premium Received in Advance Rs 12000

~~prepaid~~ Apprentice premium A/c ---- Dr 12,000
To prepaid Apprentice premium A/c 12,000

Closing Stock :- Generally this item appears in Adjustments. It is an recorded item. The following Adjustment Entry Must be passed To bring the closing Stock into record.

Closing Stock A/c ----- Dr
To Trading A/c

After passing this Entry for the first time it Appears on credit Side of the Trading A/c. and ~~credited~~ with the Same amount closing Stock Appears on Assets for the Second time.

Interest on Capital :- When this item Appears in the Adjustments, with the Given rate of Interest, Interest is to be Calculated on the Capital Amount. Such Interest on Capital is first taken on the debit Side of P&L A/c Independently & for the Second Time the Same amount of Interest is to be added to Capital in Balance Sheet.

The following Adjustment ~~Entries~~ Entries are required To be passed.

Interest on Capital A/c --- Dr xxx
To Capital A/c xxx

Then the following Transfer Entry is to be passed.

profit & Loss A/c ----- Dr xxx
To Interest on Capital A/c xxx

Interest on Drawings :- When this item Appears in Adjustment with the Given rate on Drawings Amount Interest is to be Calculated Such Interest is to be taken on credit Side Of profit & Loss A/c for the first Time Then for the Second Time the Same Interest is to ~~reducted~~ from Capital in

Balance Sheet:

The following Adjustment Entries are To be passed

Capital A/c ---- Dr
To Interest on Drawings A/c

Then The Transfer Entry Follows.

Interest on Drawings A/c ---- Dr
To profit & Loss A/c

Depreciation on Assets:- Reduction in the Value of Asset due to wear & Tear when it is put into use. When this item Appears in Adjustments The Depreciation Amount is to be Calculated on The Value of Concerned Asset with the Given Rate of Depreciation. Such depreciation is an Expenditure To the Business. For the first Time Such depreciation Amount must be taken in debit side P&L A/c & for the Second Time The Same depreciation Amount is to be reducted from the concerned Amount in Balance Sheet.

The following Adjustment Entries are To be passed To Record depreciation

Depreciation A/c ---- Dr
To Assets A/c

Then The following Transfering Entry is to be passed

profit & Loss A/c ---- Dr
To Depriciation A/c

Bad Debts :- The irrecoverable debts are known as Bad debts. This item May appear Both in Trial Balance & Adjustments. The Bad Debts appearing in Trial Balance are old & recorded. The Bad Debts Appearing in Adjustment are New & un recorded. However Bad Debts Whether old or new are Losses. Bad Debts Appearing in Trial Balance in the Debit Side of profit & loss A/c. New Bad Debts Appearing in Adjustment are Added To the Old Bad Debts for the first Time. For the Second Time The New Bad Debts are To be deducted from the Sundry Debtors in Assets Side of Balance Sheet.

The following Adjustment Entry is To be passed:

Bad Debts A/c ---- Dr xxx
To Sundry Debtors A/c xxx

Reserve for Bad Debts or Reserve for Doubtful Debts or Reserve for Bad & Doubtful debts or provision for Bad debts or provision for Doubtful debts or provision for Bad & Doubtful Debts or (R.B.D) :- Some Debtors of Current Year May be Doubtful To collect from Them. If They Don't pay our futher Business progeam we will Financially Depressed. To Avoid Such Depretion Amount Eavalent To Such R.B.D is To be put Aside from Current year profit due To which The Current year profit will be reduced. When We Collect from Such debtors Also in futher what Ever R.B.D provided Last Yr Year Shall be Returned To profit & Loss A/c. So This item

May Appear Both in Trial Balance as well as in Adjustments. R.B.D Appearing in Trial Balance is old R.B.D & shows credit Balance. Therefore it Must be Taken on the credit side of profit & loss A/c. R.B.D Appearing in Adjustments is New R.B.D it Must Appear Twice. Generally A percentage as R.B.D on Debtors will be Given This New R.B.D Shall be Calculated as follows.

(New R.B.D is Equal To (Sundry debtors - New Bads) (x) Rate of R.B.D Given in Adjustments)

Ex:- If Debtors are Rs 53,800 & New Bad Debts are of 3,500 and the Given Rate of R.B.D in Adjustments is 5%.

The New R.B.D is = (53800 - 3,500) = ~~46300~~ 2315

This New R.B.D is first Taken on the Debit side of profit & loss A/c and for the Second Time This New R.B.D is reducted from Sundry debtors in Balance Sheet.

Reserve for Discount on Debtors or provision for Discount on Debtors (R.D.D):- We Allow Discount to some Extent To Good debtors only. Such discount is To be provided on current year Good debtors. This R.D.D May Appear Both in Trial Balance & Adjustments. R.D.D Appearing in Trial Balance is a credit item & Shall be Taken To the credit side of P&L A/c. R.D.D Given in Adjustments is a New R.D.D & Generally it is Given as a percentage on Debtors. Then New R.D.D is Calculated as

under New R.D.D=

(Sundry debtors - New Bad Debts - New R.B.D) x Given Rate of New R.D.D

Ex:- New Rate of New R.D.D is 4%.

(53,800 - 7,500 - 2315) x 4% = 1759.40.

The New R.D.D is first Taken on the debit Side of P&L A/c & Then the New R.D.D Amount is deducted from Sundry debtors in Balance Sheet for the second Time.

Provision for Discount on creditors or Reserve for Discount on creditors (R.D.C):-

Generally this item Appears in Adjustments. The Business May Expect some discount on the present creditor at a Given rate. R.D.C is Calculated with the Given rate on creditors. For the first Time. This R.D.C is taken on the credit Side of P&L A/c and for the second Time the same Amount of R.D.C is Reducted from Sundry creditors in Balance Sheet.

The following Adjustment Entry is required To be passed.

R.D.C A/c ----	Dr	xxx	
To profit & loss A/c			xxx
and			
Sundry creditors A/c. ---	Dr	xxx	
To R.D.C A/c			xxx

Entries for the Adjustment R.B.D & R.D.D :-

R.B.D

Profit & Loss A/c ---- Dr 2315
To R.B.D A/c 2315

and

R.B.D A/c ----- Dr 2315
To Sundry debtors A/c 2315

R.D.D

Profit & Loss A/c ----- Dr 1759.40
To R.D.D A/c 1759.40

and

R.D.D A/c ------ Dr 1759.40
To Sundry debtors A/c 1759.40

Stock Destroyed by fire :- When this item Appears in Adjustments for the first time this Amount is Added to closing Stock in Trading A/c. & for the second time loss of Stock due to fire shall Appear as an independent item on the debit Side of P&L A/c.

The following Adjustment Entry is to be passed

Stock Destroyed By Fire A/c -- Dr xxx
To Trading A/c xxx

and

Profit & Loss A/c ---- Dr xxx
To Stock destroyed By Fire A/c xxx

Insurance claim for Stock Destroyed :-

"Insurance claim" is an Income. If it is already received "Insurance claim" Appears on credit Side of Trial Balance. Then it is Taken to the credit Side of profit & loss A/c. But If "Insurance claim" is due Then it Appears

as an Adjustment. It must appear twice for the first time "Insurance claim" is taken to the credit side of P&L A/c. For the second time the same Amount appears as an Asset in the Name "Out Standing Insurance Claim".

The following Adjustment Entry is required to be passed.

Out Standing Insurance Claim A/c ... Dr
(or)
Insurance Company A/c ..... Dr xxx
To Insurance claim A/c xxx

Then pass the following Transfer Entry.

Insurance claim A/c ..... Dr xxx
To profit & loss A/c xxx

Goods withdrawn By the proprietor not yet recorded

When this item appears in Adjustments it Must appear twice for the first time this Amount is reducted from purchases in Trading A/c. and for the second time the same Amount is reducted from Capital in Balance Sheet.

The following Adjustment entry is required

Drawings A/c ..... Dr xxx
To purchases A/c xxx

Rules of Final Accounts

Every debit item is an Expenditure if not it Must be an Asset. Every credit is an Income if not it Must be Liability.

Every item of Trial Balance Must Appear Only Ones where Ever it is Taken. Every item of Adjustment Must Appear twice where Ever it is Shown.

Due To Any Adjustment The Agreement of Trial Balance Should not be disturbed.

Alternate Terms

Purchase Returns = Return outwards = Returns To creditors = Returns To Suppliers

Sales Returns = Return Inwards = Returned from Customers = Returns from Debtors

Wages = Manufacturing Wages = productive Wages = Direct Wages = Factory Wages

power = Factory power = Motive power

Salaries = Establishment Expenses = Office Salaries = Administrative Expenses = Management Expenses

Carriage Inwards = Carriage on purchases = Carriage In

Carriage outwards = Carriage on Sales = Carriage out

Freight Inwards = Freight = Freight on purchases

Freight outwards = Freight on Sales

Adjusted purchases = opening Stock + purchases − purchase returns − closing stock

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Trading & profit & loss A/c of Mr _____ for the Year Ended 31-12-2006

particulars	Amount	particulars	Amount
To opening Stock	47000	By Sales 1,28,000	
To purchases 50,000		less Returns 1000	1,27,000
less Returns 1100	48,900	By closing Stock	50,000
To Duty & clearing charges	3500		
To Gross profit c/d	77600		
	1,77,000		1,77,000
To Salaries 9,500		By Gross profit b/d	77600
Add outstanding Salaries 500	10,000	By outstanding Interest	200
To commission & Travelling charges	4700	By commission 4000	
To General Expenses	2,500	less outstanding commission 600	3400
To Rent paid	2000		
To commission 4000			
less outstanding 600	3400		
To Fixtures & Fittings	850		
To Interest on capital	2400		
To Net profit Transfered To Capital A/c			
	58750		
	81,200		81200

Balance Sheet of Mr ----
as on 31-12-2006

Particulars		Amount	Particulars	Amount
Capital	30,000		Sundry debtor	51000
Interest on capital	2400		Bills receivable	5000
Net profit	32400	85150	Loan Adv to Deepak Co	12000
Less Drawings	6000	26,800	Fixtures & Fitting 8500	
			Less Dep 850	7650
Sundry Creditors		43000	Closing Stock	50,000
Bills payable		4000	Cash at Bank	12500
Outstanding Slaries		500	Interest Received	200
Prepaid Commission		600	Cash in Hand	900
Bank overdraft		6000		
		1,39,250		1,39,250

S/E-42 Trading & profit & Loss A/c of Mr Swaroop Kishan
For the Year Ended 31-3-2006

Particulars	Amount	Particulars	Amount
To opening Stock	45000	By Sales	4,20,750
To purchases	2,25,000	By Closing Stock	35,000
To Wages	20,000		
To factory Rent 1,500			
Add Outstanding Rent 300	1800		
To Carriage Inwards	2,500		
To Coal & Gas	1000		
To Gross profit c/d	1,60,450		
	4,55,750		4,55,750
To Salaries	15000	By Gross profit c/d	1,60,450
To Trade charges	10,000	By Bad debts provision	200
To Carriage Inwards	2,500		
To Discount	350		
To Insurance 700			
Less prepaid 100	600		
To Office Rent 3000			
Add Outstanding 600	3600		
To printing & Stationery	600		
To Travellers Salaries	2,800		
To Advertising	15,000		
To R.B.D	3000		
To Depreciation on Machinery	7500		
To Dep on furnitures	375		
To Net profit Transfered To Capital A/c	99,325		
	1,60,650		1,60,650

op Kishan

	Amount
	4,20,750
	35,000
	4,55,750
	1,60,450
	200
	1,60,650

Balance sheet of Mr. Swaroop Kishan as on 31-12-2006

Liabilities	Amount	Assets	Amount
Capital 75000		Plant & Machinery 75000	
Add Net profit 99325		Dep 7500	67500
1,74,325		Prepaid Insurance	100
Less Drawings 6000	1,68,325	Sundry Debtors 60000	
Sundry creditors	15000	Less R.B.D 3000	57000
Bills payable	2000	Closing stock	35000
Out standing Factory Rent	300	Cash at Bank	12,500
Out standing Office Rent	600	Cash in Hand	2000
	1,86,225		

Trading & Profit & Loss A/c of Mr. Rangarao
For the Year ended 31-3-2006

Particulars	Amount	Particulars	Amount
To Opening Stock	21,725	By Sales 1,26,117	
To purchases 83,290		Less Returns 7,422	118695
Less Returns 3172	80,118	By closing stock	16,580
To Wages 9915			
Add outstanding 800	10715		
To factory fuel & power	542		
To Lighting	392		
To Manufacturing Expenses	2,940		
To Carriage Inwards	897		
To Gross profit C/d	17,946		
	1,35,275		1,35,275
To Salaries 3,745		By Gross profit C/d	17,946
Add outstand 350	4095	By Net Loss Transfered	
To Travelling Expenses	925	To Capital A/c	(11)
To Carriage Outwards	380		
To Discount	422		
To Insurance	470		
To Rent & Taxes 1,705			
Add unpaid 150	1855		
To Office Expenses	2,778		
To R.B.D.	1200		
To Commission	260		
~~To Net profit Transfered To Capital A/c~~			
To Dep on plants	5500		
To Dep on Fixtures	172		
~~To Net profit~~	17946		17946
~~Transfered To Capital A/c~~			
	18057		18057

Balance Sheet of Mr Ranga Rao as on 31-12-2006

Particulars	Amount	Particulars	Amount
Capital 93,230		Plant 55000	
Add: Net Profit 11 1		Less: Depreciation 5500	49500
Less: Drawings 6,820	86299	Fixtures 1720	
Sundry Creditors	22,880	Less: Dep 172	1548
Bills payable	6412	Debtors 48000	
Out Standing Wages	800	Less: R.D.D 1200	46800
Out Standing Salaries	350	Insurance prepaid	100
Out Standing Rent	150	Closing Stock	16580
		Cash at Bank	2245
		Cash in Hand	118
	1,16,891		1,16,891

1/E-44 Trading & profit & Loss A/c of Mr. for the year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	15,040	By Sales ~~92000~~	
To purchased	85,522	Less Returns ~~2885~~	
To Carriage Inwards	1,291	1,21,850	~~97885~~
To Trade Expenses	325	285	
To Gross profit c/d	34887	By closing Stock	1,21,565
	1,37,065		15,500
			1,37,065
To Establishment	2135	By Gross profit c/d	34887
To Carriage Outwards	800	By R.B.D	1,320
To Insurance 783		By Interest 340	
Less prepaid 120	~~663~~ 633	Add Interest on 120	
To Bad debts 613		Investments	460
Add Further 100	713		
To Audit fees	400		
To General charges	3,950		
To Discount	620		
To Dep on Motor Truck	2400		
To Dep on Furniture	164		
To R.B.D	775		
To Net profit Transferred to Capital A/c	24077		
	36697		36697

Balance Sheet of MR as on 31-12-06

Liabilities		Amount	Assets		Amount
Capital	92000		Buildings		70,000
Add net profit	24077		Motor Trucks	12000	
		1,16,077	Less outstanding	2400	9600
Creditors		18,852	Furniture	1,640	
Bills payable		6930	Less outstanding	164	
Outstanding Insurance		120	Interest on Investments		1476
			Sundry debtors	15,600	120
			Less Bad debts	100	
				15,500	
			Less R.B.D	975	14,725
			Investments		8922
			Bills receivable		5,844
			prepaid Insurance		150
			closing stock		15,500
			Cash at Bank		14,534
			Cash in Hand		988
		1,41,859			1,41,859

dr. Trading & Profit & Loss A/c of Mr. Govind Rao for the year 30-6-2006

Particulars	Amount	Particulars	Amount
To opening Stock	18600	By Sales	1,20,000
To purchases	80,000	By closing Stock	12000
To Coal & Coke	2000		
To Wages 11000			
Add outstanding 200	11200		
To Lighting Expenses	1200		
To Gross profit c/d	19000		
	1,32,000		1,32,000
To Salaries 2600		By Gross profit b/d	19000
Add outstanding 100	2700	By Discount	600
To Repairs	1000		
To Carriage outwards	1500		
Loose Tools			
opening value 1300			
closing Value 1000			
To Lighting Expenses	300		
To Discount	600		
To Depn on Furniture	1500		
To B.B.D	25		
To Depn on Machinery	800		
To Depn on patents	800		
To Interest	250		
To Net profit	300		
Transfered to Capital A/c	9825		
	19600		19600

Balance Sheet of Mr. Govind Rao as on 31-12-2005

Liabilities	Amount	Assets	Amount
Capital 40,000		Good will	15000
Add: Net profit 9825		Debtors 16000	
Add: profit (Gross 4000)		Less R.B.D 800	
	53825	Loose Tools	15200
Outstanding wages	200	Office Furniture 500	1000
Outstanding Salaries	100	Less Dep 25	475
Loan Taken	5000	Lease hold property	6,500
Creditors	4000	Machinery 8000	
Outstanding Interest	300	Less Dep 800	7200
		Patents 1000	
		Less Dep 250	750
		Closing Stock	12000
		Cash at Bank	5100
		Cash in Hand	400
			63,425
	63,425		

10/6-46 Trading & profit & Loss A/c of M/s A for the year ended 31-3-2006

particulars	Amount	particulars	Amount
To opening Stock	60,000	By Sales 3,54,000	
To purchases 1,20,000		Less Returns 2,000	3,52,000
Less Returns 1500	1,18,500	By closing Stock	70,000
To Wages	20,000		
To Carriage Inwards	1500		
To Gross profit c/d	2,22,000		
	4,22,000		4,22,000
To Salaries	13,600	By Gross profit b/d	2,22,000
To Discount	700	By discount	1600
To Bank charges	150	By B R.B.D	1050
To R.B.D	1000		
To Carriage outwards	2400		
To Rent, Rates & Taxes	20,000		
To Advertisement	4000		
To Interest on Capital	10,000		
To Dep on plants	19,200		
To Reserve fund	[illegible]		
To Net profit Transfered to Capital A/c	7680		
	1,45,920		
	224,650		2,24,650

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14:

Balance Sheet of Mr A
as on 31-3-2006

Liabilities		Amount	Assets		Amount
Capital	1,00,000		Plant & Machinery	1,60,000	
Net Profit	1,45,920		less Dep	19,200	1,40,800
Interest on Capital	10,000		Sundry Debtors	90,000	
		2,55,920	less R.B.D	1000	89,000
Sundry Creditors		50,000	Closing Stock		70,000
Reserve Fund		7680	Cash at Bank		12,000
			Cash in Hand		1800
		3,13,600			3,13,600

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Trading & profit & Loss A/c of Mr Mohan
for the year ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening stock	2,920	By Sales 23,812	
To purchases 20,724		Less Returns 420	
Less Returns 582			23392
	20,142	By closing stock	3400
~~To Carriage Inwards~~			
To Gross profit c/d	3730		
	26792		26792
To Sundry Expenses	880	By Gross profit b/d	3730
To Rent 240		By Apprentice premium	
Add outstanding 80	320	less prepaid 240	
To Rates & Taxes 400			40 200
less prepaid 160	240	By R.B.D	210
To Bad debts	344	By Discount	120
To R.B.D	320		
To Interest on Capital	425		
To Dep on Machinery	190		
To Net profit Transferred			
To Capital A/c	1541		
	4260		4260

Balance Sheet of Mr Mohan as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	8500		Machinery	1900	
Add Net profit	1541		Less Dep	190	
Add Interest	425				1710
	10466		prepaid Taxes		160
Less Drawings	1420	9046	Debtors	6400	
Bank overdraft		400	Less R.D.D	320	6080
Creditors		2000	Bills receivable		480
Bills payable		360	Closing Stock		3400
Outstanding Rent		80	Cash in Hand		96
prepaid Apprentice premium		40			
		11926			11926

Trading & profit & Loss A/c of Mr Durvasula for the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	23,400	By Sales 1,44,800	
To purchases 1,21,550		Less Returns 4300	
Less Returns 2900			140500
~~To Carriage Inwards~~	~~118650~~	By closing Stock	39,800
118650			
Less Furniture 1000	117,650		
To Carriage Inwards	9300		
To Gross profit c/d	29450		
	1,79,800		1,79,800
To Salaries	4,650	By Gross profit b/d	29450
To Rent	2,850	By Interest on Investment	
To printing & Stationery	1700	Add	725
To Advertisement	5600	Outstanding	850
To Discount	3770		1575
To General Expenses	1960	By Discount	1495
To Audit fees	350		
To Travelling Expenses	1,165		
To postage & Telegram	435		
To R.B.D Fire Insurance premium	600		
To Interest on loan 450	300		
Add outstanding 750	1200		
To Dep on Furniture	140		
To Net profit Transfered To Capital A/c	7800		
	32520		32520

Balance Sheet of Mr Devarulu
as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	54,050		Sundry Debtors	12000	
Add Net profit	7800		Less R.B.D	600	11400
	61850		Investments		17500
Less Drawings	5000	56850	Interest on Investments out standing		850
Sundry creditors		7400	Furniture (old)	900	
Loan from Dena Bank		10,000	Add New Furniture on 30-6-2006	1000	
Int Standing Interest		750		1900	
			Less Dep	140	1760
			Closing Stock		39,300
			Cash at Bank		4000
			Cash in Hand		190
		75000			75000

14:12

Trading & profit & Loss A/c of Mr Shri Vinay Bhushan
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To Opening Stock	24,200	By Sales 1,45,000	
To purchases 96,000		Less Returns 3000	1,42,000
Less Returns 4300		By Closing Stock	45,600
Less used for Loose Tools 3000	88700		
To Wages 17,500			
Less unproductive wages 2500	15000		
To Freight	6000		
To Gross profit c/d	53700		
	1,87,600		1,87,600
To Salaries	12,000	By Gross profit b/d	53700
To Depon Lease Hold property	2000	By Reserve for Bad debts	4000
To Trade Expenses	5000	By Rent Received	5000
To printing & Stationery	1800	By Interest on Drawing	250
To Bad debts 4000			
Add 2400	6400		
To R.B.D	2380		
To Dep on Machinery	3000		
To Depon Buildings	1250		
To Interest on Capital	8000		
To Net profit Transfered To Capital A/c	21120		
	62950		62950

Balance Sheet of Mr Shri Vinay Bhushan as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	1,60,000		Machinery	30,000	
Add Net profit	21,120		Less Dep	3000	27000
Add Interest on Capital	8000		Lease hold property	20,000	
	1,89,120		Less Dep	2000	18000
Less Drawings	5000		Furniture		15000
Less Interest on Drawings	250	1,83,870	Buildings	50,000	
Creditors		40,000	Less Dep	1250	48750
			Debtors	50,000	
			Less Bad debts	2400	
			Less R.B.D	2380	45220
			Loose Tools		
			Unproductive wage	2500	
			Use of Goods from Purchases	3000	5500
			Rent Receivable		1900
			Closing Stock		45600
			Cash at Bank		12900
			Cash in Hand		4000
		2,23,870			2,23,870

Trading & profit & loss A/c of Mr Sri Ram prasad
for the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	11,460	By Sales 1,40,370	
To purchases 80,000		Less Returns 4240	
Less Returns 2820	77180	By Closing Stock	136130
To Wages	6280		14,290
To Carriage Inwards	2310		
To Gross profit c/d	53,190		
	1,50,420		1,50420
To Salaries & Commission 9,870		By Gross profit b/d	53190
Add outstanding 570	10440	By R.B.D	3240
To Bad debts 1,400		By Discount	190
Add 570	1970	By Rent 2100	
To Rent & Insurance 1300		Add outstanding 200	2300
Less prepaid 240	1060		
To Freight	16,940		
To office Expenses	1340		
To printing & Stationery	660		
To postage & Telegram	820		
To R.B.D	3690		
To Dep on Buildings (old)	625		
To Dep on New Buildings	140		
To Depon office furniture	175		
To Interest on Capital	5000		
To Net profit Transfered			
To Capital A/c	16060		
	58920		58920

Balance Sheet of Mr Sri Ram prasad
as on 31-12-2006

Liabilities Particulars		Amount	Assets		Amount
Capital	100000		Bills Receivable		1,240
Add Net profit	16060		Buildings	25000	
Add Interest	5000		Add old Building	7000	
Capital	121060			32000	
Less Drawings	17600	103460	Less Dep on Bo old & New Building	765	31,235
Sundry Creditors		18920	Debtors	62,070	
Outstanding Salaries		570	Less Bad debts	2490	
			Less R.D	3690	57810
			Outstanding Rent		200
			Prepaid Insurance		240
			Closing Stock		14290
			Cash at Bank		12400
			Cash in Hand		2210
			Office Furniture	3500	
			Less Dep	175	3325
		122950			1,22950

11-50 Profit & Loss A/c of My Shishir for the year ended 31-3-2006

Particulars	Amount	Particulars	Amount
To Salaries 14,000		By Gross profit b/d	1,17,200
Add outstanding 700	14,700	By R.B.D	4,800
To printing & Stationery	2000	By Interest on Loan	
To Discount	1500	1000	
To Insurance 3000		Add outstanding 1000	2000
Less prepaid 400	2600	By Insurance claim Received for loss	5000
To Bad Debts	600		
To Office Rent	2600		
To Dep on Loose Tools	500		
To Dep on Plant & Machinery	11500		
To Dep on Furniture & Fixtures	200		
To R.B.D	1250		
To Net profit Transferred to Capital A/c	91550		
	1,29,000		1,29,000

Balance Sheet Of Mr Shishir as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	2,00,000		Free hold property		60,000
Net profit	91,550		Plant & Machinery	1,00,000	
	2,91,550		less Dep	11500	103500
less Drawings	10,000				88500
		2,81,550	Furniture & fixtures	4000	
Bills payable		5,700	less Dep	200	3800
Creditors		40,000	Debtors	25,000	
Outstanding Wages		500	less R.D.D	1250	23750
Outstanding Salaries		700	Insurance prepaid		400
Creditor of Machinery		15000	Loose Tools	2000	
			less Dep	500	1500
			Loan To Sudhir		40,000
			Out standing Interest		1000
					74000
			closing Stock		
			Cash at Bank		
			Cash in Hand		25000
					10,500
		3,43,450			3,43,450

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Trading & Profit & Loss A/C of Mr Sri Subhash
for the Year Ended 31-12-2006

Particulars	Amount	Assets	Amount
To Adjusted purchases		By Sales ~~36,00,000~~	36,00,000
Add 34,96,000	3501000		
Less 5000	~~3491000~~		
To Carriage on purchases	2000		
To Gross profit C/d	97000		
	36,00,000		36,00,000
To Salaries @	21000	By Gross profit b/d	97000
To Carriage outwards	2500	By Discount	2000
To Lighting	1500	By Commission	500
To Rates & Taxes 2000			
Less prepaid 600	1400		
To Dep on Buildings	2700		
To R.B.D	1875		
To Bad debts	~~2000~~		
To Dep on furniture	2500		
	3000		
To Net profit Transferred To Capital A/c	63,025		
	99500		99500

Balance Sheet Of Mr. Sri Subhas
as on 31-12-2006

Liabilities	Amount	Assets	Amount
Capital 2,00,000		Buildings 135000	
Net profit 63025	2,63,025	Less Dep 2700	1,32,300
Bills payable	50,000	Sundry debtors 40,000	
	1,00,000	Less Bad debts 2500	
Sundry creditors 1,00,000		Less R.B.D 1875	35,625
Less purchases 5000	1,05,000	Furniture 30,000	
		Less Dep 3000	27000
		Bills Receivable	7500
		Prepaid Rates	600
		Closing Stock	3,06,250
		Cash at Bank	7500
		Cash in Hand	1250
	5,18,025		518025

16/E-52 Trading & Profit & Loss A/c of M/s A and Co
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To Opening Stock	89,680	By Sales 3,56,530	
To purchases	2,56,990	Less Returns 2780	
To Wages 40,970			353750
Less 1200	39770	By Closing Stock	1,28,960
To Gross profit c/d	96670		
	482710		482710
To Salaries	11000	By Gross profit b/d	96670
To Rent & Taxes	5620	By Commission 5640	
To Travelling Expenses	1880	Add Outstanding 600	6240
To Insurance 400			
Less prepaid 150	250		
To Repairs & Renewals	3370		
To Interest & Discount 5870			
Add outstanding 200	6070		
To Bad debts 3620	4120		
Add: Bad now 500			
To R.B.D	3050		
To Interest on Capital	5970		
To Dep on Machinery	3000		
To Dep on Furniture	[illegible]		
To Net Profit Transferred to Capital A/c	57683		
	102910		102910

Balance Sheet of M/s A & Co
as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	1,19,400		Bills Receivable		9500
Net Profit	57683		Plant & Machinery	28,800	
Add Interest on Capital	5970		Add depreciation charges	1200	
	1,83,053			30000	
Less Drawings	10550	172503	less Dep	3000	27000
Sundry Creditors		59,530	Sundry Debtors	62000	
Out Standing Interest		200	less B/S A/c	1000	
Loan A/c		20,000	less R.B.D	3050	57950
			outstanding commission		600
			prepaid Insurance		250
			Furniture & Fixtures		8073
			Closing Stock		1,28,960
			Cash at Bank		[illegible]
			Cash in Hand		18,970
					530
		2,52,233			

17/E-53

Trading & Profit & Loss A/c of Mr Bose
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To Adjusted purchases	6,89,200	Sales	7,40,000
To Carriage Inwards	900		
To Gross profit c/d	49,900		
	7,40,000		7,40,000
To Salaries	11900	By Gross profit b/d	49,900
To General Expenses	900	By Discount	900
To Depn on Buildings & Furniture	1200	By Joint Venture	1000
To Net profit Transferred To Capital A/c	37800		
	51800		51800

Balance Sheet Of Mr Bose
as on 31-12-2006

Liabilities	Amount	Assets	Amount
Capital 48,500		Buildings	30,000
Add: Profit 37 800		Furniture	6000
	86300	prepaid Expenses	200
Sundry creditors	21200	Sundry debtors	8000
Expenses unpaid	700	Bills R/C	6000
		Closing Stock	56,250
		Cash	1750
	108200		108200

18/E-53

~~Trading and~~ profit & Loss A/c of Mr. Shyam Hardikar
For the year Ended 31-12-2006

particulars		Amount	particulars	Amount
To Salaries	25000		By Gross profit b/d	70,000
Less drawings	4800	20200	By Dividends on Shares	1000
To Rent & Taxes		5000	By Bad debts Recovered	4000
To Fire Insurance	5000			
Less prepaid	2500	2500		
To General Expenses		8000		
To Loss due to fire		4000		
To Free distribution of Samples		2000		
To Interest on Loan		1000		
To Dep on Plant & Machinery		5700		
To Bad debts		4000		
To Donation		3000		
To Net profit Transfered to Capital A/c		19600		
		75000		75000

Balance Sheet Of Mr Shyam Haldikar
as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	60,000		Plant & machinery	80,000	
Add Net profit	19600		Less Dep	18,000	
	79,600		Less Dep	5700	
Less Drawings	4800			56300	
		74800	Less New machine	10,000	46300
Loan Taken from Abhijeet		20,000	Sundry debtors	40,000	
Sundry creditors	44000		Less Bad debts	4000	
Less Donation	4000		Less Donation	3000	
Less Tax Payable A/c	2000		Less Tax Payable A/c	2000	31000
		38000	~~Add Sudhan~~	~~4000~~	
Outstanding Salaries		2000	~~Dividends on Shares~~		~~25000~~
Outstanding Interest		1000	Investments in Shares		6000
			Closing Stock		25000
			Prepaid Insurance		2500
			Bad debts recovered		4000
			Cash in Hand & Bank		15000
			~~Bad debts~~		~~1000~~

19/E – Trading & Profit & Loss A/c of Mr Rama Rao
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	27180	Sales 1,22,040	
Purchases 29,860		Less Returns 3500	
Less Returns 5000			118540
Less Drawings 24860 1000	23860	By closing Stock	15000
To Wages	8000	Add Loss due to Fire	6000
To Manufacturing Charges	7840		21000
To Gross profit c/d	72660		
	139540		139540
To Salaries	4340	By Gross profit b/d	72660
To Interest on loan		By R.B.D	3000
Add outstanding 1,125 1125	2250	By Commission	2870
To Postage & Telephone	540	Add outstanding 600	3470
To Rent	950	By Insurance claim Received	5000
To Stationery & printing	860		
To General charges	170		
To Bad debts	1500		
To R.B.D	2400		
To Depn Machinery			
To loss due to Fire	6000		
To Goodwill written off	10,000		
To Depn Machinery	4500		
To Net profit Transferred to Capital A/c	50620		
	84130		84130

Balance Sheet of Mr Rama Rao as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	50,000		Good will	40,000	
Less drawing	1000		Less written off	10,000	30,000
	49000		Sundry debtors	48000	
Add Net profit	50620	99620	Less R.R.D	2400	45600
Loan		45000	Bills Receivable		13795
Sundry Creditors		10,960	Plant machinery		55500
unpaid wages		1500	~~Closing~~		
outstanding Interest		1125	Out Standing Commission		600
Bills payable		8150	out standing Insurance Claim		5000
			Closing stock		15000
			Cash in Hand		860
		1,66,355			1,66,355

20/6-56

Trading & profit & Loss A/c of Mr L. Kundan
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To Opening Stock	20,500	By Sales	1,40,500
To purchases	68,000	By closing stock	27000
To Carriage Inwards	1500	Add Loss due to fire	10,000 / 37000
To Factory Rent	4000		
To Wages	21500		
To Manufacturing Expenses	1500		
To Gross profit c/d	60,500		
	1,77,500		1,77,500
To Salaries	16,000	By Gross profit b/d	60,500
To Carriage outwards	1700	By R.B.D	1000
To Insurance 1,200		By Insurance claim	
Less prepaid 300	900	Receivable	6000
To Office Rent	2000		
To General Expenses	5400		
To R.B.D	1150		
To Bad debts	500		
To Dep on Furniture	1000		
To Dep on Machinery	1400		
To Loss due to fire	10,000		
To Net profit Transfered to Capital A/c	27,450		
	67500		67500

Balance Sheet of Mr R. Ramdas as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	60,000		Debtors	23500	
Add Net profit	27450		Less New Bad debts	500	
	87450			23000	
Less Drawings	7200		Less R.D.D	1150	
	80250	80250	Bills Receivable		21850
Sundry Creditors		14300	Prepaid Insurance		5300
Bills payable		4200	Furniture	10,000	300
			Less Dep	1000	9000
			Machinery	28000	
			Less Dep	1400	
				26600	26600
			Insurance claim Receivable		6000
			Closing Stock		27000
			Cash at Bank		2200
			Cash in Hand		500
		98750			98750

21(E-52 Trading & profit & Loss A/c of Mr. Krishna chaitanya
For the Year Ended 31-12-2006

particulars	Amount	particulars	Amount
To opening Stock	8,760	By Sales 71,436	
To purchases 62,172		less Returns 1260	70176
less Returns 1746	60426	By closing Stock 10,200	
To Gross profit c/d	14190	Add Loss due to fire 3000	13200
	83376		83376
To Salaries A/c	2,640	By Gross profit b/d	14190
To Rent 720		By Apprentice premium 750	
Add outstanding 160	880	less Carried forward 120	630
To Rates & Taxes 1200		By R.D.C	120
less prepaid 320	880	By R.B.D	600
To Bad debts	1032	By Discount	360
To R.B.D	960	By Insurance claim Receivable	1500
To Dep on Machinery	570		
To Interest on Capital	1275		
To Loss due to fire	3000		
To Net profit transferred To Capital A/c	6163		
	17,400		17,400

Balance Sheet of Mr Krishna Chaitanya as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	25500		Machinery	5700	
Net profit	6163		less Dep	570	5130
Interest	1275		Prepaid Taxes		320
Capital	32938		Debtors	19200	
less Drawings	4260	28678	less R.B.D	960	18240
Outstanding Apprentice Premium		120	Bills Receivable		1440
Bank overdraft		1200	Insurance claim Receivable		1500
Sundry creditors	6000		Closing Stock		10,200
less Discount	120	5880	Cash in Hand		288
Bills payable		1080			
Outstanding Rent		160			
		37118			37118

22/E-58

Trading & profit & Loss A/c of Mr Manoj
For the Year Ended 31-12-2006

Particulars	Amount	Assets	Amount
To opening Stock	40,000	By Sales 1,80,000	
To purchases 95,000		Less Returns 3000	1,77,000
Less 2000	93000	By closing Stock 60,000	
To Wages	30,000	Add Loss due To Fire 8000	68000
To Coal, Gas & Water	2000		
To Factory Rent	2000		
To Gross profit C/d	78000		
	245000		245000
To Salaries	15000		
To Dep on plant & machinery	10,000	By Gross profit b/d	78000
To Discount	1000	By Interest on Investments	300
To General Expenses	20,000	By R.B.D	1000
To Interest on loan from Gupta	2500	By R.D.C	1200
To Bad debts 3000		By Insurance claim Receivable	8000
Add New bad debts 4000	7000		
To Office Rent	3000		
To Loss due To Fire	8000		
To R.B.D	2500		
To R.D.D	~~2500~~ 912		
To Net Profit Transferred To Capital A/c	950 / 18550		
	88500		88500

Balance Sheet of Mr Manoj

As on 31-12-2006

Particulars		Amount	Assets		Amount
Capital	2,20,000		Buildings		70,000
Add Net profit	18550		Plant & machinery	1,00,000	
	2,38,550		Less Dep	10,000	90,000
Less Drawings	30,000	2,08,550	Debtors	52,000	
Outstanding Interest on loan		2500	Add Dishonored Bill	2000	
Bills payable		5000		54000	
Creditors	60000		Less New Baddebts	4000	
Less R.D.C	1200	58800		50,000	
Loan from Gupta		50,000	Less R.B.D	2500	
				47500	
			Less R.D.D	950	46550
			Investments		5000
			Outstanding Interest on Investments		300
			Prepaid Insurance		1000
			Outstanding Insurance claim		8000
			Closing Stock		60,000
			Cash at Bank	34000	
			Less Dishonoured Bill	2000	32000
			Difference in ~~P&L~~ Books		12000
		3,24850			3,24,850

Trial Balance of Mr Manoj's Book

Debit Balances	Amount	Credit Balances	Amount
Drawings	30,000	Capital	2,20,000
Purchases	95000	Sales Returns	2000
Buildings	70,000	Sales	1,80,000
Purchase Returns	3000	Bills payable	5000
Plant & Machinery	100000	Creditors	60,000
Salaries	15000	P.R.B.D	1000
Discount	1000	Loan from Gupta	50,000
Debtors	52000		
~~Investments~~	5000		
Cash at Bank	34000		
Stock	40,000		
Wages	30,000		
Prepaid Insurance	1000		
Coal, Gas & water	2000		
General Expenses	20,000		
~~Loan from Gupta~~	~~50,000~~		
Bad debts	3000		
Factory Rent	2000		
Office Rent	3000		
Difference in Books	12000		
~~4,63,000~~			~~4,83,000~~
5,18,000			5,18,000

23-59 Trading & profit & loss A/c of Mr Shiv Bala
For the year ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	34200	By Sales 2,50,850	
To purchases 1,02,000		Less Return 3100	
1740			247750
	100260	By Closing Stock	30,500
To Wages	34500		
To Freight	1860		
To Manufacturing Expenses	9500		
To Factory Fuel	1280		
To Factory Lighting	950		
To Gross profit c/d	95700		
	278250		278250
To Salaries	15850	By Gross profit b/d	95700
To Dep on plants	2000	By R.B.D	2000
To Dep on Furniture	500		
To Freight	2140		
To Insurance	4250		
To General Expenses	8200		
To Dep on Motor car	1000		
To Bad debts	1400		
To Interest on Bank Charges	400		
To R.B.D	3910		
To Commission of Work Manager 95300 x 1%	957		
To Commission of General Man 57013 x 2%	1142		
To Net profit Transfer To Capital A/c	55951		
	97700		97700

Balance Sheet of Mr. Shri V Bala Krishna.
as on 31-12-2004

Amount	Liabilities	Amount	Assets		Amount
	Capital 80,000		Good will		25000
	Net profit 55951				
247750		135951	Plant & Machinery	20000	
30,500	Creditors	44560	Less Dep	2000	18000
	Bank Loan	15000	Furniture	10,000	
	Outstanding Commission	957	Less Dep	500	9500
	to work manager		Buildings		24000
	Outstanding Commission	1142	Debtors	78200	
	to General manager		Less R.B.D	3910	
					74290
			Motor Car	12000	
			Less Dep	1000	11000
278250			Closing Stock		30,500
95700			Cash at Bank		4200
2000			Cash in Hand		1120
		197610			197610
977700					

24/6-60 Trading & profit & loss A/c of Mr. Bhaskar
For the Year Ended 31-12-2006

particulars	Amount	particulars	Amount
To opening Stock	6,839	By Sales 1,10,243	
To purchases 66,458		less Returns 7,821	
less Returns 1346			
	65112	By closing Stock 6,250	10240
To Carriage Inwards	2,929	Add 500	6750
To Gross profit c/d	33,692		
	1,08,572		1,08,572
To Salaries 9097			
Add			

25/E-62 Trading & Profit & Loss A/c of Mr. Suresh Awasthi
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amount
To opening Stock	50,000	By Sales 2,51,000	
To purchases	75000	less Sales return 15000	
To Wages 30,000			2,36,000
Less unproductive wage 1000	29000	By closing Stock 45000	
To Carriage Inwards	4000	Add 12000	57000
To Gross profit c/d	1,35,000		
	2,93,000		2,93,000
To Salaries	5000		
To Insurance 800		By Gross profit c/d	1,35,000
less prepaid 150	650	By R.B.D	1000
To Depon plant & Machinery	12050		
To Discount	2,200		
To R.B.D	1700		
To profit & Loss A/c			
To Depon loose Tools	2000		
opening value 8000			
less closing value 6000	2000		
To Depon Furniture	500		
To Commission to Manager	[illegible]		
	9991		
To Net profit Transfered To Capital A/c	99909		
	1,36,000		1,36,000

Balance Sheet of Mr. Suresh Awasthi as on the Year Ended 31-12-2006

Amount	Liabilities	Amount	Assets	Amount
	Capital 110,000		Plant & Machinery 140,000	
	Add Net profit 99909		Less Dep 12050	128950
2,36,000		209909	Debtors 50,000	
	Creditors 30,000		Less Sales Return 15000	
57000	Less Expenditure 1000	29000	Less R.B.D 1700	32300
	Provision for Repairs & Renewals 11000			
	Add 2000		Furniture 10,000	
2,93,000	13000		Less Dep 500	9500
	Less Repairs		Loose Tools	6000
1,35,000	Machinery 3000	10,000	Closing Stock 45000	
1000	Outstanding Managers Commission	9991	Add 12000	57000
			Cash at Bank	20,000
			Cash in Hand	5000
			Prepaid Insurance	150
		258900		258900
1,36,000				

Trial Balance

Debit Balances	Amount	Credit Balances	Amount
Drawings	14000	Capital	100000
Buildings	15000	Loan from Hali	15000
Furniture & Fittings	7500	Sales	100000
Motor Car	25000	commission	7500
~~Interest~~ Interest	900	creditors	10,000
purchases	75000		
Opening Stock	25000		
Establishment	15000		
Freight Inwards	2000		
Freight outwards	1000		
Debtors	2100		
Bank	20000		
	232500		232500

Trading & Profit & Loss A/c of M/s Kasturi Agencies
For the year Ended 31-3-2006

particulars	Amount	particulars	Amount
To opening Stock	25000	By Sales	100000
To purchases	75000	By closing Stock	32000
To Freight	2000		
To Grossprofit c/d	30,000		
	132000		132000
To Freight	1000	By Gross profit b/d	30000
To Establishment	15000	By Commission	7500
To Interest Buildings	1350		
To Dep on ~~Furniture~~	375		
To Dep on Furniture & Fittings	750		
To Dep on Motor van	6250		
To Net profit Transfer			
To Capital A/c	12775		
	37500		37500

Liabilities		Amount	Assets		Amount
Capital	100 000		Buildings	15000	
Net profit	12775		less Dep	375	
	112775				14625
less Drawing	18000		Furniture	7500	
		94775	less Dep	750	6750
Loan from Hari		15000	Motor Van	25000	
Creditors		10,000	less Dep	6250	18750
Outstanding Interest on loan from Hari		450	Debtors		28100
			Closing Stock		32000
			Cash at Bank		20000
		120225			120225

23/E-64 Trading & profit & Loss A/c of Mr Mahesh for the Year Ended 30-6-2006

Particulars	Amount	Particulars	Amount
To opening Stock	15000	By Sales 75000	75000
To purchases 48,000		By closing stock	18000
Add Cash Short 1000	49000	Add Loss due To Fire 3500	21500
To Wages	13000		
To Gross profit b/d	19500		
	96500		96500
To Discount	750	By Gross profit b/d	19500
To Audit fees	2000	By L.B.D	1000
To Office Expenses	2000	By Interest on Investments	400
To Repairs & Renewals	1800	By Discount	400
To Interest	700	By Bad debts Recovered	200
To Loss due To Fire	3500	By Insurance claim Received	2500
To Dep on Buildings	200		
To Dep on plant & Machinery	1500		
To Commission To Manager	1050		
To Transfer To General Reserves	2000		
To Net profit Transfred To Capital A/c	8500		
	24000		24000

Balance Sheet of Mr. Mahesh as on 31-6-2006

2006	Amount	Liabilities		Amount	Assets		Amount
	75000	Capital	50,450		Buildings	10,000	
		Add Net Profit	8500	58950	Less Dep	200	9800
	21500	Creditors	10,000		Plant & Machinery	15000	
			-2000	8000	Less Dep	1500	13500
		Bills payable		1000	Debtors	16,400	
		General Reserve	5000		Less	500	15900
	96500	Add	2000	7000	Investments		10,000
	19500	Outstanding Commission to Manager		1050	Bills Receivable		2500
	1000				Outstanding Interest		400
	400				Insurance Claim Receivable		2500
	400				Closing Stock		18000
	200				Bank Balance		3400
	2500			76000			76000
	24000						

Dr Trading & profit & Loss A/c of Mr Ramana Murthy
For the Year Ended 31-12-2006

particulars	Amount	particulars	Amount
To opening stock	30,000	By Sales 2,50,000	
To purchases 1,50,000		Less Returns 5000	2,45,000
Add purchases 5000			
155,000		By closing stock 40,000	
Less Returns 3000	152000	Less 4000	
To Wages 20,000			36,000
Add outstanding 4000	24000		
To Carriage Inwards	6800		
To Gross profit c/d	68200		
	2,81,000		2,81,000
To Carriage outwards	4200	By Gross profit b/d	68200
To Establishment charges	12000	By R.D.C	400
To Bad debts 1000		By L.B.D	4000
Add 500	1500		
To printing & stationery	1200		
To Interest on Bank loan 600			
Add outstanding 600	1200		
To Rates & Taxes 800			
Add prepaid 200	600		
Less			
To R.B.D	675		
To Depon Buildings	2000		
To Dep on Machinery	8000		
To Dep on Furniture	1000		
To Interest on loan	6000		
To Net profit	320		
Transfered To Capital A/c	39905		
	72600		72600

Balance Sheet of Mr Ramana Murthy as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	90,000		Land & Buildings	40,000	
Net profit	39905		Less Dep	2000	38000
Insurance	2400		Plant & Machinery	80,000	
Drawings	12000	115505	Less Dep	8000	72000
Sundry Creditors	20,000		Debtors	14000	
Less B.D.D	400	19600	Less New bad debts	500	
Bills payable		15000	Less R.B.D	675	12825
Loan from Sampat		8000	Bills Sent To Bank for collection		4000
Suspense A/c		8000	Bills Receivable		6000
Outstanding Interest		600	Prepaid Rates & Taxes		200
Outstanding Wages & Salaries		4000	Closing Stock	40,000	36000
Bank ~~overdraft~~		10,000	~~Total~~ Less	4000	~~40000~~
Interest on loan outstanding		320	~~Cash at Bank~~		~~2000~~
~~Total~~ Bank overdraft		2000	Cash in Hand		2800
		175825	Furniture	5000	
			Less Dep	1000	4000
					175825

21/6/08

Trading & profit & Loss A/c of M/s Gavaskar Vishwanath
Dr & Cr for the year Ended 31-3-2006

Particulars	Amount	Particulars	Amount
To opening Stock	62,000	By Sales 2,30,000	
To purchases 1,40,000		Less Returns 4200	
Less Typewriter 4000		Less Office Equipment 1400	
Less Returns 2600		By closing Stock	2,24,40
To Freight	133400		4400
To Gross profit c/d	1200		
	71800		
	268400		268400
To Salaries 11000		By Gross profit b/d	71800
Add outstanding 1000	12000	By R.B.D	3000
To Godown rent 5500		By R.D.C	160
Add outstanding 500	6000		
To Interest on loan from Vishwanath 2700			
Add outstanding 600	3300		
To Rates & Taxes	2100		
To R.D.D	2400		
To Carriage outwards	2000		
To printing & Stationery	1800		
To Electric charges	2200		
To Insurance 5500			
Less paid for proprietor 4000			
Less prepaid 300	1200		
To General Expenses	3000		
To Bad debts	2000		
To Bank charges	1600		
To Motor Car Expenses	3600		
To Dep on Buildings	1500		
To Dep on Furniture	2000		
To Dep on office Equipment	3000		
To Dep on Motor Car	4000		
To R.B.D.	4300		
To Net profit Transferred to Capital A/c	18400		
	76400		76

Balance Sheet of M/s Gavarkar Vishwanath & Co as on 31-3-2006

Liabilities		Amount	Assets		Amount
Capital	1,62,000		Debtors	86,000	
Add Profit	18 400		Less R.B.D	4300	
	1,80,400				81700
Less Drawings	12,000		Furniture & Fixture	21400	
Less Depn Building	1500		Less Table	1400	
	4000		Less Dep	2000	18000
Less Insurance premium		162900	Office Equipment	16000	
Creditors		43000	Add Type writer	4000	
				20,000	
Loan from Vishwanath		30,000	Less Dep	3000	17000
Outstanding Salaries		1000	Buildings	60,000	
Outstanding Gowdown Rent		500	Less Dep	3000	57000
Outstanding Interest on loan from Vishwanath		600	Motor Car	20,000	
			Less Dep	4000	16000
			Prepaid Insurance		300
			closing Stock		44000
			Cash at Bank		2600
			Cash in Hand		1400
		238000			2,38000

30/E-68 Trading & profit & Loss A/c of Mr. ——
For the Year Ended 31-12-2006

Particulars	Amount	Particulars	Amo
To opening Stock	2,40,000	By Sales	31,60,0
To purchases	24,00,000	By closing Stock	2,80,0
To Wages 2,29,000			
Add outstanding 1600	230600		
To Gross profit c/d	5,69,400		
	3440000		
To Administrative Expenses 1,31,400		By Gross profit b/d	344000
less 20,000	126800	By R.B.D	5,69,4
Add 15000			500
To printing & Stationery 6,600			
less closing value 2200	4400		
To Bad debts	11,400		
To Delivery Expenses	99000		
To Rates & Taxes 15000			
less prepaid 3000	12000		
To Depon Motor Vehicle	74000		
To R.B.D	3500		
To Repairs To premises 47600			
less 20000	27600		
To Net profit Transfered To Capital A/c	216000		
	574400		57440

Balance Sheet of M/s - - -
as on 31-12-2006

Liabilities		Amount	Assets		Amount
Capital	10,00,000		Motorvehicle	1,48,000	
Add: Renovation	20,000		less	74000	74000
Add: Last years profit	124000		Debtors	2,96,000	
Add: Net profit	2[illegible]6 100		less R.B.D	3500	292500
	13,60100		Printing Stationery		2200
less: Drawings	1000	1259100	Freehold premises		800,000
less: Drawings	100000.		Prepaid Taxes		3000
Creditors	2,32,000		closing stock		2,80,000
less: damage	20000	212000	Cash at Bank	1,76,000	
General Reserve		2,00,000	less Paid for damage	15100	160900
Outstanding Wages		1600			
		1637600			1632600

Trading & profit & loss a/c of Mr. - - -
For the year ended 31-12-2000

Particulars	Amount	Particulars	Amount
To opening Stock	14,360	By Sales 80,410	
To purchases 67,350		less Returns 1590	
less Returns 2520			78820
	64830	By closing Stock	
To Carriage Inwards 1450			10700
less Carriage on furniture 50	1400	less Stationery 200	10500
To Gross profit c/d	8930		
	89320		89320
To Salaries	4950	By Gross profit b/d	8930
To Depreciation	1200	By Discount	150
To Insurance 3300		By Net Loss Transferred	
less prepaid 330		To Capital a/c	6490
	2970		
To office Expenses 5100			
less 800			
less 1000	3300		
To Bad debts 1310			
Add 400	1710		
To Carriage outwards	1590		
To printing & stationery	6800		
To R.B.D Bad 1107			
0-400-1000			
= 600 x 5%			
To Carriag + 600			
454			
	1054		
	17374		17374

Balance Sheet Of Mr. — — —
as on 31-12-2000

Liabilities		Amount	Assets		Amount
Capital	40,000	31506	Freehold property	10,800	
			Add	1000	11800
			prepaid Insurance		300
Creditor for Expenses		400	Furniture	1500	
Creditors		4700	Add	50	1550
			prepaid Insurance		330
			Debtors	11070	
			less	400	
					9616
			less	1054	
			Closing stock	10700	
			less	200	10500
		36606	Cash at Bank		2160
			Stationery in Books		450
			Difference		
					36606

de 32/e-20 Manufacturing, Trading & profit & Loss A/c of M/s Virendra Firm
For the Year Ended 31-12-2006

particulars	Amount	particulars	Amo
To Raw Materials Consumed		By closing work in progress	22,0
Opening Raw material 15,000		By Sale Of Scrap	1,20
purchase of Raw-Material 90,000		By cost of Goods Manufactured c/d	1,04
105000			
Less closing Raw Material 20,000			
To opening Work in progress	85000		
To Wages 15000	10,000		
Add outstanding 3500			
	18500		
To Carriage Inwards	2000		
To Office lighting 2/3	2000		
To Repairs To plant	2000		
To Dep on Machinery	8200		
	1,27700		
To Cost of Goods Manufactured b/d	104,500	By Sales	1,27,7
To opening Finished	12000	By closing Finished Goods	1,70,0
To Gross profit c/d	68500		150
	185000		185
To Salaries 20,000		By Gross profit b/d	685
Add outstanding 1500		By Commission	180
	21500		
To General Expenses	5000		
To Lighting (1/3)	1000		
To Office Rent	3000		
To postage & Telegram	2000		
To Repairs To office Furniture	1000		
To Dep on office Furniture	500		
To Net profit Transfered To Capital a/c	36300		
	70300		703

Balance Sheet of Mr Narendra Tiwari
as on 31-12-2006

Liabilities	Amount	Assets	Amount
Capital 1,40,000		Sundry Debtors	30,000
Add Profit 36300	1,76,300	Bills Receivable	10,000
Sundry creditors	10,000	Office Furniture 10,000	
Bills payable	4000	Less Dep 500	9500
Outstanding Wages	3,500	Plant & Machinery 82000	
Outstanding Salaries	1,500	Less Dep 8200	73,800
		Closing Stock :	
		Raw Material 20,000	
		Work in progress 22,000	
		Finished Goods 15000	57000
		Cash at Bank	15000
	195300		1,95300